



STATISTICS

Direct Investment Task Team (DITT) Inaugural Meeting

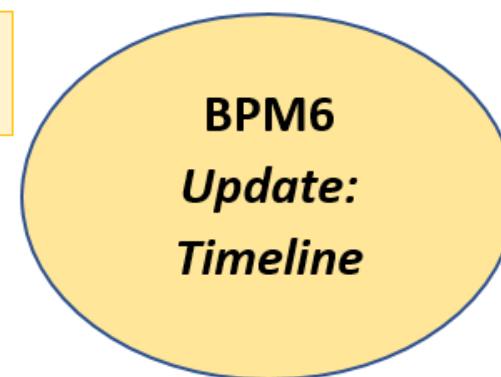
June 9, 2020

Outline

- Updating the *BPM6*: Timeline and Process
- DITT Terms of Reference
 - Working Procedures with the BPTT
 - Life Cycle & Governance of TEG Guidance Notes (GNs)
- Timeline: Preparation of the GNs
- Direct Investment Task Team (DITT) Research Topics: Proposed Assignments

2020				2021				2022
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Launch BPM6 Update Process	Develop TORs for—and convene—TTs	<i>TTs produce GNs, seek worldwide feedback</i>				Committee decides on changes to BPM6	Produce Annotated Outline of BPM7	

← Phase 1



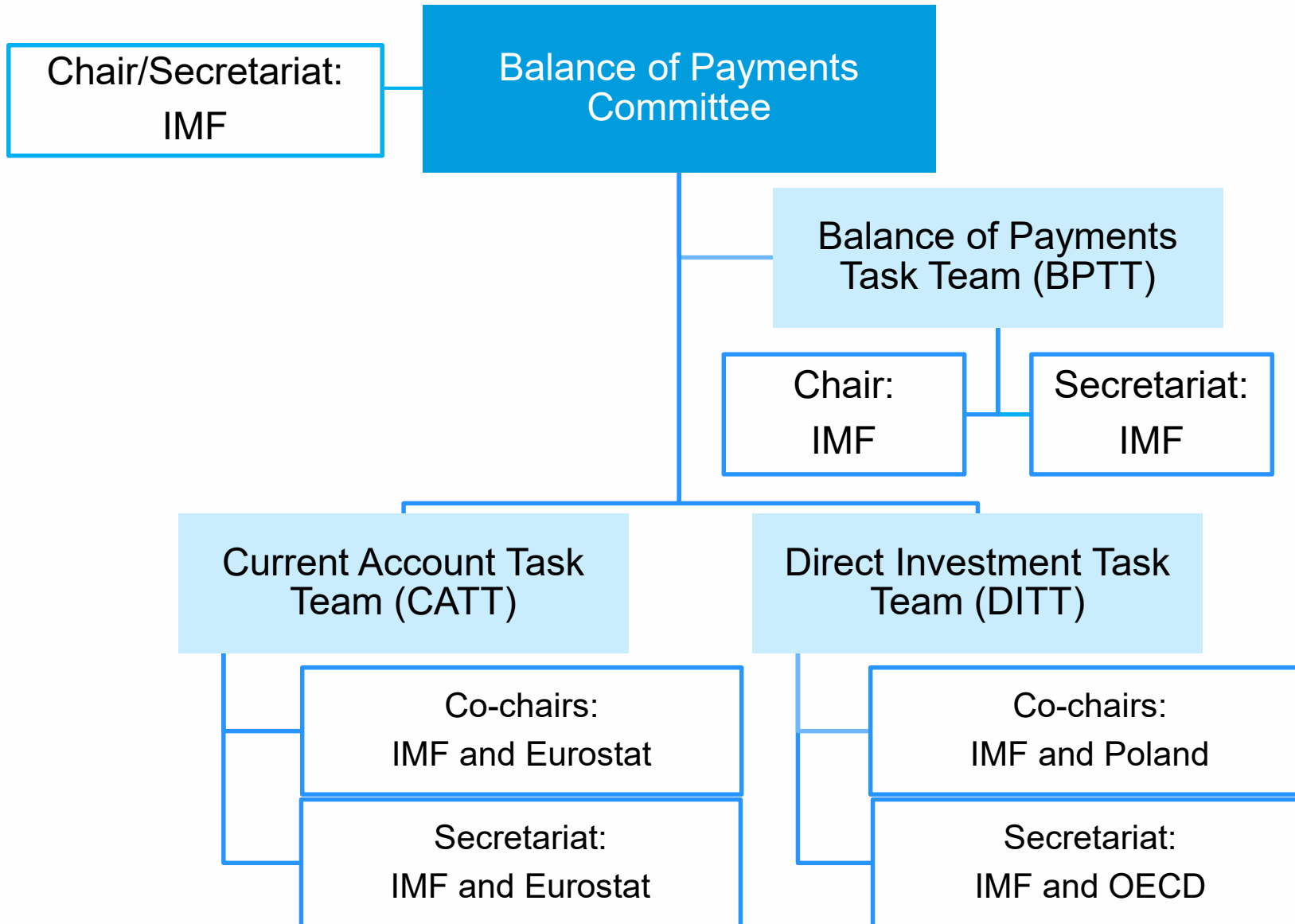
Phase 2 ↓

2022			2023				2024				2025
Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Draft BPM7 Chapters and Appendixes							Preliminary Draft BPM7 to Committee		Revised Draft for review		Final Draft Delivered

Worldwide consultations, including through regional outreach seminars

TTs: Task Teams; TORs: Terms of Reference

Process for Updating the *BPM6*



Working Procedures with the BPTT

BPTT has an oversight/coordinating role.

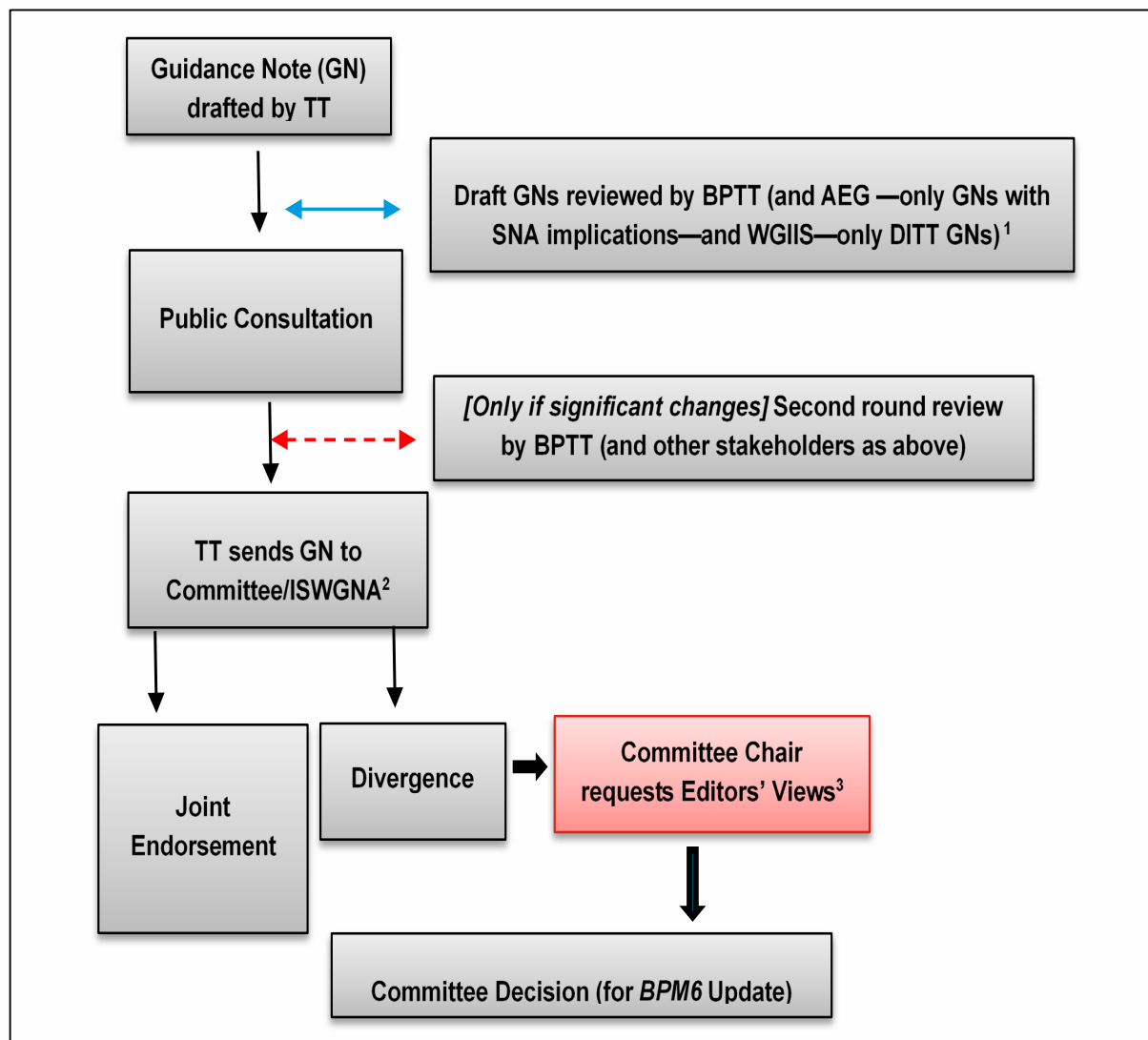
Working Procedure:

- To attain objective and avoid duplication, DITT will:
 - Take into account current or completed work on certain direct investment topics.
 - Coordinate with other Task Forces or Working Groups (including with the AEG Task Team on Globalization) on cross-cutting issues.

Reporting:

- Periodic reports to the Committee
 - Key report: Committee's annual meeting progress reports: will include both the outcomes and recommendations on the issues considered through the Guidance Notes.
- The Committee will make the final decisions on DITTs conclusion and proposals in consultation with ISWGNA on issues of common interest.

Life Cycle & Governance of TT Guidance Notes



1. In its oversight/coordinating role, BPTT reviews the draft GNs to ensure overall consistency of the proposals. Only those GNs that impact SNA, the AEG will be asked to review.
2. After the second round review by BPTT in case of major changes out of public consultation, the DITT will send the GNs to the Committee. For issues impacting SNA, the DITT will send to both the Committee and ISWGNA.
3. For cross-cutting SNA and BP issues, in case of joint endorsement the Committee will decide. If divergent views emerge, Committee and ISWGNA Chairs request SNA/BPM editors' views. If the editors' views also diverge, the Committee and the ISWGNA may consider adopting their respective positions, with transparent documentation of the points of departure.
4. Final endorsement of recommendations on the *BPM6* Update resides with the Committee; and should take account any new perspectives/considerations raised in the editors' views. Should the Committee have reservations about the DITT's proposal, it may also seek the editors' views. In this regard, the Committee should also carefully consider retaining the status quo (i.e., no change) and placing the issue on a future research agenda.

Organization and Communication within DITT

- A public webpage related to the DITT work program.

UPDATE OF THE SIXTH EDITION OF THE BALANCE OF PAYMENTS AND INTERNATIONAL INVESTMENT POSITION MANUAL (BPM6)

Compendium of Research Issues

Task Teams (BOPCOM)

Balance of Payments Task Team (BPTT) ▶

Current Account Task Team (CATT) ▶

Direct Investment Task Team (DITT) ▶

Joint Task Teams (BOPCOM/ISWGNA)

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Update of the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6)

The IMF Statistics Department has launched the update of the sixth edition of the *Balance of Payments and International Investment Position Manual (BPM6)* targeting to publish an updated version of the Manual (*BPM7*) by March 2025. The *BPM6* update is being coordinated with the update of the *System of National Accounts 2008 (2008 SNA)*, which was officially launched by the United Nations Statistical Commission (UNSC) also with a target release date of March 2025.

Key Features:

- Terms of Reference and CRI would be available, soon.
- Link for a separate Guidance Note page.
- Link to provide feedback on GNs.
- Link to a collaboration site (restricted) for comments. DITT members will be provided a login/password for access.

Approval Process for Guidance Notes

- **Step 1:** First draft of the GN by authors, including summary of recommendations
- **Step 2:** Review by Secretariat and Co-chairs
- **Step 3:** Written consultations within DITT (via VC, if necessary)
- **Step 4:** Finalize GN based on consultation
- **Step 5:** Submit for review to BPTT (AEG consultation for issues impacting SNA)
- **Step 6:** Incorporate comments and circulate within DITT
- **Step 7:** Release of draft Guidance Note for wider public consultation
- **Step 8:** Second review by BPTT **only** if there are significant changes (AEG second review for issues that impact SNA)
- **Step 9:** Presentation to the Committee (to the ISWGNA as well, for cross-cutting SNA issues) for endorsement

Key Targets along the Timeline



Timeline for the GNs

Timeline	Number of weeks
Drafting of the GN	3
Consultation within the TT members	2
Draft Finalized	1
Draft GN submitted for review to BPTT (and AEG/WGIIS) by TT Chairs	1
Incorporate comments and circulate within TT	1
Posting for public consultation	4
Incorporation of comments, discussion within TT and finalization by co-chairs	1
If significant changes, only, second round of review to BPTT/AEG/WGIIS/other stakeholders	1
GN final version including recommendations completed and sent to BOPCOM (via BPTT)	1
BOPCOM Discussion/Decision*	2
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* *GNs to be discussed at BOPCOM meetings should be sent at least 2 weeks in advance of meeting date; for written consultations, two weeks timeline suggested*

Direct Investment Task Team (DITT) Research Topics : **High-priority** items

Issue No.	Research Topic	Links to other TTs
D.1	Compiling statistics of greenfield investments and extension of capacity	
D.2	Valuation of unlisted equity in direct investment	
D.3	Treatment of collective investment institutions	FITT
D.4	Corporate inversion	
D.5	Eliminating imputations for an entity owned or controlled by general government that is used for fiscal purposes	
D.6	Ultimate investing economy and ultimate host economy in direct investment (including identifying capital in transit)	
D.7	Sectoral breakdown of direct investment	

Direct Investment Task Team (DITT) Research Topics : **Medium-priority** items

Issue No.	Research Topic
D.8	Public-private partnerships (PPPs)
D.9	Reconciling BPM-based direct investment and FATS/AMNE statistics
D.10	Defining the boundaries of direct investment, including whether direct investment relationships can be achieved other than by economic ownership of equity
D.11	Removing debt between affiliated insurance corporations and pension funds from direct investment
D.12	Including intra-concern [between affiliates] derivatives in direct investment
D.13	Treatment of large construction financed by government
D.14	Financial conduits
D.15	Treatment of payments made by nonresident affiliated enterprises on behalf of DI enterprises
D.16	Treatment of retained earnings:
	• in the case of investment pools whose assets are not readily available to their investors;
	• whether gross or net of financial assets management services charges (for investment funds); and
	• whether it should more clearly differentiate between when the investment fund or institutional unit that provides financial assets legally and economically owns the financial assets
D.17	Identifying superdividends and establishing the borderline between dividends and withdrawal of equity